

Basant Agro Tech (India) Limited

20th Annual Report

DIRECTORS

Shri Shashikant C. Bhartia	Chairman & Jt. Managing Director
Shri Ashwin Bhartia	Executive Director
Dr. B. G. Bathkal	Director
Shri Sharad W. Sawant	Director
Shri Deepak C. Bhartia	Managing Director
Dr. Ramesh Tainwala	Director
Shri R. S. Tayade	Director

COMPANY SECRETARY

Shri Upendra Somani

AUDITORS

M/s. P.C.Baradiya & Co., Chartered Accountants, 208, Rewa Chambers, 31, New Marine Lines, Mumbai - 400 020.	M/s. P. C. Bhandari & Co., Chartered Accountants, Ramdas Peth, Akola.
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LEGAL ADVISOR

Shri R. K.Thakur,
Krishna Mohan Building, 1st Floor, 71, Banganga Road,
Walkeshwar,Mumbai - 400 003.

BANKERS

State Bank of India,
Old city SME Branch,Akola - 444 001.

REGISTERED OFFICE

& NPK FERTILIZER UNIT I

Plot No.13/2, Kaulkhed, Near S.T.Workshop, Akola - 444 001 (Maharashtra).

NPK FERTILIZER UNIT II

Gat No. 76, Bhilwadi Station, Nr Chitale Dairy, Tal. Palus, Sangli ((Maharashtra).

NPK FERTILIZER UNIT III

Sy.No.66-A/4,Hanumanhalli Village, Danapur Panchayat,Tal Hospet, Dist Bellary, (Karnataka).

SSP FERTILIZER UNIT I

Survey No.62, Kanheri Aranda Road, Kanheri-Sarap, Taluka-Barshi Takli, Akola - 444 401 (Maharashtra).

SSP FERTILIZER UNIT II

Mhow Nasirabad Rd.,Nayagaon,Neemuch -458 468 (Madhya Pradesh).

CORPORATE OFFICE

A-1/3, Sea Lord, Cuffe Parade, Mumbai - 400 005.

REGISTRARS & SHARE TRANSFER AGENTS

SHAREX DYNAMIC (INDIA) PVT. LTD.

17/B, Dena Bank Building,

2nd Floor, Horniman Circle,

Fort, Mumbai - 400 001.

Tel. No. : 2270 2485, Fax : 2264 1349.

NOTICE

NOTICE is hereby given that Twentieth Annual General Meeting of Members of BASANT AGRO TECH (INDIA) LIMITED, will be held at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola- 444001, Maharashtra on Saturday, 28th August, 2010, at 4:00 P.M. to transact the following business :-

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account of the Company for the year ended as on that date and the Reports of Board of Directors and Auditors thereon.
2. To declare Dividend on equity shares.
3. To appoint a Director in place of Shri A.N. Bhartia who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr. B.G. Bathkal who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Dr. Ramesh Tainwala who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

7. **To consider and if thought fit, to pass with or without modification(s) the following resolution as special resolution :**

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory amendments thereto or re-enactment thereof for the time being in force), and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the Listing Agreement entered into with the stock exchanges where the Equity Shares of the Company are listed, applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (ICDR Regulations), Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines 2000 (SEBI DIP Guidelines), the Foreign Exchange Management Act, 1999 (FEMA), the regulations/guidelines, if any, prescribed by SEBI, Reserve Bank of India, the Stock Exchanges, the Government of India or any other relevant authority from time to time, to the extent applicable, and subject to such conditions as may be prescribed by any of these Authorities while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted or hereinafter constitute by the Board to exercise its powers including the powers conferred by this Resolution) is hereby authorised to accept, on behalf of the Company to create, issue, offer and allot, in the course of one or more public or private offerings in domestic and/or one or more international market(s) , Equity Shares, fully convertible debentures, partly convertible debentures, non convertible debentures with warrants or any other security (other than warrants) which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment (referred to as "QIP Securities") to the Qualified Institutional Buyers (QIBs) and/or, to issue Equity Shares and/or convertible bonds and/or other securities convertible into Equity Shares at the option of the Company and/or the holder(s) of such securities, and/or securities linked to Equity Shares and/or securities including non-convertible debentures with warrants or other securities with or without warrants, which may either be detachable or linked, and which warrant has a right exercisable by the warrant holder to subscribe for the Equity Shares and/or warrants with an option exercisable by the warrant-holder to subscribe for Equity Shares and/or any instruments or securities representing either Equity Shares and/or convertible securities linked to Equity Shares (all of which are hereinafter collectively referred to as "Securities") to eligible investors under applicable laws, regulations and guidelines (whether residents and/or nonresidents and/or institutions/banks and/or incorporated bodies, mutual funds, venture capital funds and Indian and/or multi-lateral financial institutions and/or individuals and/or trustees and/or stabilising agents or otherwise, and whether or not such investors are members of the Company), through prospectus and/or letter of offer or circular and/or on public and/or private/ preferential placement basis, such issue and allotment to be made at such time/times, in one or more tranches, for cash, at such price or prices, in such manner and where necessary, in consultation with the Merchant Bankers and/or other Advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of Securities provided that the total amount raised through the issuance of such Securities shall not exceed Rs.50 Crores (Rs Fifty Crores only), including premium if any as may be decided by the Board."

"RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of the QIP Securities shall be the date on which the Board of the Company decide to open the proposed issue, or the date on which the holder of the Securities which are convertible into or exchangeable with Equity Shares at a later date becomes entitled to apply for the said Equity Shares, as the case may be."

"RESOLVED FURTHER THAT in the event that non convertible debentures (NCDs) with or without warrants with a rights exercisable by the warrant holder to exchange with Equity Shares of the company are issued, the relevant date for determining the price of the Equity Shares, to be issued upon exchange of the warrants, shall be the date of the meeting in which the Board decides to open the proposed issue of the NCDs in accordance with ICDR."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Securities as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of the offer, subject to the provisions of the Memorandum and Articles of Association of the Company all such Equity Shares ranking pari passu with the then existing Equity Shares of the Company in all respects including dividend, as may be provided under the terms of the issue and in the offer documents."

"RESOLVED FURTHER THAT such of these securities to be issued as are not subscribed may be disposed off by the Board in such manner and/or on such terms and conditions, including offering or placing them with Qualified Institutional Buyers (QIBs), as the Board may deem fit and proper, in its sole and absolute discretion."

"RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board, where required in consultation with the Merchant Bankers and/or other Advisors, be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including but not limited to the selection of QIBs to whom the

Securities are to be offered, issued and allotted, and matters related thereto, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.”

“**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional equity shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorised in its absolute discretion in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint lead managers, underwriters, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on one or more national stock exchange(s) and the Equity Shares to be issued on conversion of the Securities as set forth in the aforesaid resolution, if any, on any stock exchange(s), authorising any director(s) or any officer(s) of the Company to sign for and on behalf of the Company, the offer document(s), agreement(s), authority letter(s), or any other related paper(s) / document(s) and give any undertaking(s), affidavit(s), certificate(s), declaration(s) as the Board may in its absolute discretion deem fit including the authority to amend or modify the aforesaid document(s).”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to form a committee and to delegate all or any of its power to said committee of directors or any other officer / authorised representatives of the Company to give effect to the aforesaid resolutions and is authorised to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modifications as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of these securities.”

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as special resolution:

“**RESOLVED THAT** pursuant to section 81 (1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company and Listing Agreements entered into by the Company with the Stock Exchanges where the Shares of the Company are listed and subject to any approval, consent, permission and / or sanction of appropriate authorities, (hereinafter collectively referred to as “the appropriate authorities”), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and / or sanction (hereinafter referred to as “ the requisite approvals”), and which may be agreed to by the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its power including the power conferred by this resolution), the Board be and is hereby authorised to create, offer, issue and allot, from time to time 70,00,000 warrants convertible into or entitling to apply for equity shares to be subscribed by Promoters of the Company, under a preferential issue through offer letter and / or circular and / or information memorandum and / or such other documents / writings, in such a manner and on such terms and conditions as may be determined by the Board in its absolute discretion, at the price of equity shares so issued shall not be less than Rs 7.75 (including a premium of Rs 6.75) per equity share of Rs 1/- per equity share being the price with respect to the Relevant Date i.e. 29th July, 2010, as prescribed under the Guidelines for Preferential Issues contained in the Securities and Exchange Board of India (DIP) Guidelines, 2000 as well as applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (ICDR Regulations).

RESOLVED FURTHER THAT the equity shares allotted in terms of this resolution shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange (s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said securities, utilisation of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or Chairman & Jt. Managing Director or any other Director (s) or officers (s) of the Company to give effect to the aforesaid resolution.

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as special resolution:

“**RESOLVED THAT** pursuant to section 314(1) and all other applicable provisions, if any of the Companies Act, 1956, consent of the Company be and is hereby accorded for increase in the remuneration w.e.f. 1st April, 2010 payable to Shri Akshay D. Bhartia, President of the Company to Rs. 40,000/- (Rs forty thousand only) per month and upon terms and conditions set forth in the Agreement to be entered into between the Company and Shri Akshay D. Bhartia”

By Order of the Board of Directors
Basant Agro Tech (I) Ltd.

Place : Mumbai
Date : 29th July, 2010

Upendra Somani
Company Secretary

Registered Office :

Plot No. 13/2, Kaulkhed,
Near S.T. Workshop,
Akola - 444 001, Maharashtra.

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (b) Proxy form duly completed should be deposited at the Registered Office of the Company not less than forty eight hours before the time fixed for the commencement of Meeting.
- (c) The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday 25th August, 2010 to Saturday 28th August, 2010 (both days inclusive).
- (d) The Dividend if declared, will be paid to those Shareholders whose names stand on the Register of Members on 28th August, 2010
- (e) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Business to be transacted at the meeting is annexed hereto.
- (f) All documents referred to in the accompanying Notice and explanatory statement are open for inspection at the Registered office of the Company during the office hours on all working days between 11.00 a.m. to 1.00 p.m.till 28th August, 2010.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No 7 :

The Company is contemplating various growth opportunities in the near future by way of expanding its plant capacities as well as strategic acquisition of fertilizer plants. The company has plans of the modernization and upgradation of the newly acquired fertiliser plants of the Company. Moreover the Company is keen to diversify into cattle feed business as well as solar power generation. The company has major plans of expanding the seeds business by undertaking research and development of new varieties of seeds and also entering into new areas under the Contract farming arrangements. The Company also plans to mobilise the resources for the long term working capital requirements for all its fertilisers plants as well as growing seeds business. The proposed Special Resolution seeks the enabling authorization of the members of the company to the Board of Directors (Board), without the need of any further approval from the members to undertake the Qualified Institutional Placements (QIP) with Qualified Institutional Buyers (QIB) and/ or to issue other securities, in accordance with the provisions of Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines 2000 (SEBI DIP Guidelines) as well as applicable provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009.

Pursuant to the provisions of Section 81(1A) of the Act , any offer or issue of shares in the company to persons other than members of the company requires prior approval of the Members vide Special Resolution .

The Board recommends the Resolutions at item No 7 of the Notice for approval by the Members.

No Director is in any way concerned or interested in the Resolutions at item No 7 of the Notice, except to the extent of his participating in the proposed issue of equity shares of the Company.

Item No 8 :

The Company propose to issue warrants convertible into equity shares or entitling to apply for equity shares of the company, to the promoters of the company as per details given below on the preferential allotment basis in terms of the guidelines for preferential issues contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor protection) Guidelines, 2000 (hereinafter referred to as the, "Preferential Issues Guidelines") as well as Chapter VII and other applicable provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 including any statutory modification or re-enactment thereof for the time being in force.

The details of the issue and other particulars as required in terms of the Preferential Issue Guidelines are given as under:

- (I) Objects of the Issue: The main object of the issue of warrants pursuant to the Resolution set out in the accompanying notice shall be to augment resources for making strategic acquisitions and other corporate activities including the working capital for the Company.
- (II) Securities to be Issued: The resolution set out in the accompanying notice is an enabling resolution, entitling the Board to issue warrants, convertible into equity shares or entitling holder to apply for equity shares as may be deemed appropriate in the best interest of the company.
- (III) The allotment of warrant pursuant to the Resolution set out in the accompanying notice will be completed within 15 days from the date of passing the said Resolution or from the date of the approval by the regulatory authority or Central Government.
- (IV) Pricing of Warrants: The equity shares arising out on conversion of the warrant or on getting the subscription for equity shares from the warrant holders shall be of a face value of Rs 1/- and shall be issued at a price not being less than Rs.7.75 (including a premium of Rs.6.75) per equity shares. Such price has been arrived at with respect to the relevant date i.e.29th July 2010, as prescribed under the said preferential issue guidelines under SEBI (ICDR) Regulations.
- (V) Terms of Warrants: The Board may allot warrants at a Price not being less than Rs. 7.75 per Warrants which will be converted into equity shares or the warrant holder will become entitled to subscribe for one equity share of the face value of Rs.1/-, at a Price not being less than Rs.7.75 (including a premium of Rs.6.75) per equity share of the company against each warrant. An amount, as may be decided by the Board of Directors, not being less than 25% of issue price (i.e. Rs.2.00 per warrant) shall be payable upon subscription of the warrants. The company will give an advance notice of at least ten days calling upon the warrant holder to make the balance payment against the said warrant on or before the expiry of 18 months from the date of allotment. The warrant holders will be liable to make the payment of the balance sum per warrant for such number of warrants within 10 days of the service of the notice. The warrants would be allotted on the following terms:
 - * Each warrants will be converted into 1 (one) equity share or the holder is entitles to apply for and be allotted 1 (one) equity share of the face value of Rs. 1/-, at a Price not being less than Rs. 7.75 (including a premium of Rs.6.75) per equity share of the company per warrant any time after date of allotment but on or before the expiry of 18 months from the date of allotment, in one or more tranches.
 - * Upon receipt of the payment as above, the Board (or a Committee thereof) shall allot one equity share per warrant by appropriating Rs. 1/- onwards equity share capital and the balance amount paid against each warrant, towards the securities premium.
 - * If the entitlement against the warrants to apply for the equity shares is not exercised within the period specified in the notice referred hereinabove, the entitlement of warrant holders to apply for equity shares of the company alongwith the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited.
 - * The warrant holders shall also be entitled to any future bonus / rights issue (s) of equity shares or other securities convertible into equity shares by the company, in the same proportion and manner as any other shareholders of the Company for the time being.

BASANT AGRO TECH (INDIA) LIMITED

- * The warrant by itself do not give to the holder(s) thereof any rights of the shareholders of the Company.
- * The equity shares issued as above shall rank pari passu in all respects with the then existing equity shares of the Company. The warrants and equity shares shall be subject to the Memorandum and Articles of Association of the Company.
- * The Equity shares will be issued against receipt of the consideration in cash.

(VI) Lock-in: The equity shares to be issued under the above Preferential issue shall be locked-in for a period of three years from the date of allotment. The lock-in on the equity shares allotted on exercise of option attached to warrants, if any, shall be reduced to the extent the warrants have already been locked-in.

(VII) Particulars of Subscribers: The Promoters of the Company have agreed to subscribe to the warrants under the said preferential issue, as per the details given below:

Sr. No.	Name of the Proposed Subscribers	Category	Number of Warrants	Percentage of post Preferential issue capital
1.	Mr. Vishal S. Bhartia	Promoters	14,00,000	1.55%
2.	Mr. Ashwin N. Bhartia	Promoters	14,00,000	3.48%
3.	Mr. Akshay D. Bhartia	Promoters	14,00,000	3.81%
4.	Mr. Ankush D. Bhartia	Promoters	14,00,000	1.54%
5.	Smt Taradevi Bhartia	Promoters	14,00,000	2.80%
	Total		70,00,000	

Any of the equity shares issued as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any other person/entity/investor within the same category/class, on the same terms and conditions.

VIII. Shareholding pattern:

Shareholding pattern giving present position as also considering the full allotment of equity shares arising out of the Securities issued as above is given below:

Category	Pre-issue	Percentage shareholding	Post-issue	Percentage shareholding
Promoters	41672671	49.83	48672671	53.71
Mutual fund	16000	0.01	16000	0.01
Banks & fin. inst.	3000	0.01	3000	0.01
Bodies Corporate	4966622	5.94	4966622	5.48
Independent directors	30000	0.04	30000	0.03
NRI	682498	0.82	682498	0.75
Individuals –public	36256709	43.35	36256709	40.01
Total	83627500	100.00	90627500	100.00

IX. Undertaking of the issuer regarding recomputation of the price of the securities to be issued is not applicable since the equity shares of the Company have been listed on recognized Stock Exchange for more than six months.

Shri S.C. Bhartia, Shri D.C. Bhartia and Shri A.N. Bhartia, are the relatives of the persons from the promoters category to whom the warrants convertible into equity shares are proposed to be allotted and accordingly may be deemed to be concerned or interested in the said resolution.

Item No 9 :

Pursuant to the special resolution passed by the shareholders at the Annual General Meeting held on 13th September, 2008, Shri Akshay Bhartia was appointed as the President of the Company and was paid the Remuneration of Rs. 25,000/- per month. Now, on recommendation of the remuneration committee it was proposed to increase the remuneration payable to Shri Akshay Bhartia to Rs. 40,000/- (Rs forty Thousand only) per month w.e.f. 1st April, 2010. Pursuant to provisions of Section 314(1) of the Companies Act, 1956, the approval of shareholders by way of Special Resolution is required for making the payment of the remuneration to the relative of the Directors.

The Board recommends the Resolution at item No.9 of the Notice for the approval of the shareholders.

None of the Directors other than Shri Shashikant Bhartia, Shri Deepak Bhartia and Shri Ashwin Bhartia shall be deemed to be concerned or interested in the said Resolution.

By Order of the Board of Directors
Basant Agro Tech (I) Ltd.

Place : Mumbai
Date : 29th July, 2010

Upendra Somani
Company Secretary

Registered Office :

Plot No. 13/2, Kaulkhed,
Near S.T. Workshop,
Akola - 444 001, Maharashtra.

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 20th Annual Report together with the audited statement of accounts of the Company for the year ended 31st March, 2010. (Rs. in Thousands)

1. FINANCIAL RESULTS :	2009-10	2008-09
Net Turnover	1307421	1285162
Profit before interest,depreciation and tax	141161	118427
Less : Financial expenses	43814	31383
Profit before depreciation	97347	87044
Less : Depreciation	32275	24011
Profit before tax	65072	63033
Provision for taxations	8500	6000
Provision for deferred tax	1201	2092
Provision for fringe benefit tax	--	675
Profit after tax	55371	54266
Provision for taxation of earlier years	(754)	(455)
Surplus brought forward from previous year	161512	119028
Amount available for appropriations	216129	172839
Appropriations :		
(a) Proposed dividend	5018	6690
(b) Corporate dividend tax	833	1137
(c) Transferred to general reserve	3500	3500
Surplus carried to Balance Sheet	206778	161512

2. DIVIDEND :

The Board of Directors are pleased to recommend the Dividend of Rs. 0.06 per share (6 %) for the year 2009-10 on equity share capital, subject to the approval of the shareholders at the Annual General Meeting (previous year 8%) which shall absorb Rs 50.18 lacs (previous year Rs. 66.90 lacs)

3. OPERATING RESULTS AND PROFITS :

Fertiliser Division:

The growth of Fertilisers division was as per the projections of the management of the Company. But due to delay in the announcement of the new fertiliser policy there was uncertainty about the MRP of the SSP fertilisers and as a result the sales for the last quarter of the year under review was affected. Though the production of the fertilisers was jumped by 7.81% to 152183 TPA the sales was marginally lower as compared to previous year. This has resulted in increase in the inventory of the finished goods. The new NBS policy announced by the Government will provide much needed stimulus to SSP industry. Due to additional subsidy on sulphur the total subsidy on SSP fertilisers has been raised from Rs 2000/- PMT to Rs 4400/- and to your company will be benefited under NBS policy. The successful completion of upgradation and modernisation of the newly acquired SSP fertiliser unit at Neemuch (MP) will contribute considerably to the bottomline of the Company during the current financial year. The production of NPK fertiliser division was as per production plans of the Company and had jumped by 46.25% over previous year. The MET Department has predicted satisfactory monsoon in the current year and it will help the agro based industries to progress.

Seeds Division :

The seeds division has reported excellent performance during the year under review. The sales of the division has jumped by 105.76% and touched a new high of Rs 4000.06 lacs. Whereas the profit before tax of the seeds division has gone up by 44.80% as compared to the previous year. Introduction of the new hybrid varieties of the seeds in the market coupled with the expanding the area under the contract farming has resulted in such remarkable performance. The newly developed BT cotton seeds under the collaboration of Mahyco Monsanto Biotech (I) Ltd has been successfully launched in the market.

4. DIRECTORS :

Shri A.N.Bhartia, Director retires by rotation at this Annual General Meeting and he being eligible, has offered himself for reappointment.

Dr. B.G.Bathkal, Director retires by rotation at this Annual General Meeting and he being eligible, has offered himself for reappointment.

Dr. Ramesh Tainwala, Director retires by rotation at this Annual General Meeting and he being eligible, has offered himself for reappointment.

5. ISSUE OF SHARES ON PREFERENTIAL BASIS/ FPO :

In order to finance the proposed growth plans of the Company it was proposed to get the approval of the shareholders to make the preferential allotment of warrant to be converted into equity shares to the promoters . It was also proposed to pass special resolution under section 81 (1A) of the Companies Act,1956 to issue securities to persons other than shareholders by way of QIP Securities.

6. AUDITORS :

M/s. P.C.Baradiya & Co., Chartered Accountants,Mumbai and M/s P.C. Bhandari & Co.,Chartered Accountants Akola, the joint statutory auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished certificate to the effect that their appointment as statutory auditors if made, would be within prescribed limits under Section 224(1) of the Companies Act,1956.

7. AUDITORS' REPORT :

The observations of the auditors in their report, read with notes annexed to the accounts are self explanatory and therefore do not call for any further clarification.

8. PUBLIC DEPOSIT :

As on 31st March,2010 the company has neither accepted nor invited any public fixed deposits.No amount of principal or Interest was outstanding as on 31st March, 2010.

9. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed :

- i. That in the preparation of the accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed alongwith proper explanation relating to material departures,
- ii. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review,
- iii. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- iv. That the directors have prepared the annual accounts for the financial year ended 31st March, 2010 on a going concern basis.

10. CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd a separate section titled " Report on Corporate Governance" is being published as a part of this Annual Report.

11. INDUSTRIAL RELATIONS :

Relations between the Employees and the Management continued to be cordial.

12. PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT 1956 :

There were no employees whose remuneration was in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.

13. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO :

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988 are set out in the annexure forming part of this Report.

14. ACKNOWLEDGEMENTS :

Your Directors would like to express their appreciation for the assistance and co-operation received during the year under review from the Shareholders, Financial Institutions and Bankers. Your directors wish to place on record their sincere thanks for the devoted services of the staff and workers of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 29th July, 2010

SHASHIKANT C. BHARTIA
CHAIRMAN & JT.MANAGING DIRECTOR

ANNEXURE TO THE DIRECTORS' REPORT

Particulars required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2010.

A. CONSERVATION OF ENERGY

As in the past, the company continues its efforts to improve method of energy conservation and utilisation.

FORM 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	2009-10	2008-09
A. POWER & FUEL CONSUMPTION		
1. Electricity		
a) Purchased from Electricity Board (No of Units)	2833472	2728705
Total Amount (Rs.)	13942990	12054890
Rate / Unit (Rs.)	4.92	4.42
b) Own Generation	Nil	Nil
2. Coal (Kgs)	974895	866823
Total Amount (Rs.)	4185021	3601996
Average Rate per Kg (Rs.)	4.29	4.16
3. Briquettes (Kgs)	1721030	1463760
Total Amount (Rs.)	6324019	4427915
Average Rate per Kg (Rs.)	3.67	3.03
B. CONSUMPTION PER UNIT OF PRODUCTION (MT)		
NPK Granulated Mixture Fertilizer		
Electricity (No. of Units)	8.82	8.77
Coal (in Kgs.)	17.83	17.55
Briquettes (in Kgs)	23.40	23.07
SSP Fertilizer		
Electricity (No. of Units)	16.99	16.84
G.S.S.P. Fertilizer		
Electricity (No. of Units)	12.92	12.83
Coal(in Kgs.)	19.96	19.88
Briquettes (in Kgs)	23.98	23.92

FORM 'B'

A. ABSORPTION OF TECHNOLOGY : — Not Applicable —

B. RESEARCH AND DEVELOPMENT (R & D) :

i. Specific areas in which R & D carried out by the Company:

The R & D efforts of the Company are directed towards quality improvement and improvement of in house expertise as well as development of high yielding varieties of seeds. Use of Bio technology in research on seeds will be the key focus of the division. Continuous improvement in processes technology and operational efficiency to maintain the excellent quality of fertiliser with cost effectiveness is the prime endeavor of R & D Department.

ii. Benefits derived as a result of above R & D :

Development of hybrid seeds considering the scientific- technological advances, suitability for biotic stresses, locational adaptability, soil and climatic conditions as well as giving high yield per acre. Production of the Best quality fertilisers to enable the company to have edge over its competitors.

iii. Future plans of action:

The Company plans to continue its efforts on inhouse R & D to improve cost efficiency & achieving Competitive edge. The Company will be undertaking the new projects for development of new types of BT seeds.

iv. Expenditure of R & D : Rs 29.99 lacs (Previous year Rs 25.15 lacs)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(Rs. in Thousands)

	2009-10	2008-09
Total Foreign Exchange used :		
a) CIF value of import of Raw material	102500	-
b) Dividend	623	472
c) Others	43	61
Total Foreign Exchange Earned :	NIL	NIL

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**1. Organisation profile:**

Basant Agro Tech (I) Ltd (BATL) is one of India's leading manufacturer of various farm inputs comprising of NPK mixture granulated fertilisers, phosphatic fertilizers as well as various hybrid seeds. The following Management Discussion and Analysis contains a brief write up on the Industry structure, opportunities and concerns, performance of the Company with respect to operation and other information:

2. Operations review :

The Financial statement of your Company as Contained in the Annual report has following highlights:

- * Gross Turnover has been increased to Rs 13074.21 lacs. The delay in announcement of fertilizer policy by the Central Government has affected sales of fertilisers in the fourth quarter of the year and resulted in building up of the closing stock of fertilizers at the year end. Now, after the announcement of the said policy the sale of fertilisers has picked up to recover from the slow growth in the previous quarter.
- * Sales of seeds has jumped by 105.76%
- * The Profit before tax has gone up by 3.24%
- * Production of fertilizers has increased by 7.81%

3. Business over view :

Although India's GDP growth in 2008-09 was modest 7% the real turnaround transpired in the second half of 2009-10 when the economic growth surged around 7.9%. It was expected that the industrial sector will grow over 8% during 2009-10. India today is one of the largest producer and consumer of fertilizers in the world. The top five fertilizer consumers, namely, China, India, USA, Brazil and Indonesia, accounted for nearly 70 percent of fertilizer consumption while top five producers (China, Canada, Russia, USA and India) controlled about 60 percent of world fertilizer production. In order to keep prices of the food grains affordable to the average citizen the Government offer fertilizer subsidies to induce farmers to adopt high yielding varieties, which often depended heavily on fertilizers. The credit policies of the Reserve Bank of India and Government intervention to curb the rising prices helped India to survive in the severe world wide inflationary situation. The outlook of the Indian economy continues to be stable and shows the GDP growth of 7.4% in 2009-10. It shows that it has recovered from the threats of the global recession and regained the momentum due to its strong fundamentals. The positive outlook has led to improved capital inflows led by the return of FIIs to equity markets during the year.

4. Current and future outlook :

The prediction of Monsoon this year shows that it will be above normal. With the modernization and upgradation of the newly acquired SSP fertilizers plant at Neemuch in M.P. the production of SSP fertilisers will increase substantially. The newly announced NBS policy of the Central Government is very helpful for the growth of the SSP fertilisers industry and encourage domestic production by allowing fertilizer producers a reasonable return on their investments. SSP fertilisers has got advantage over other phosphetic fertilisers due to additional subsidy on account of other nutrients contents like sulphur and calcium. The adequate availability of the raw material at reasonable prices will result in increase in the production of Fertilisers. The generation of power through wind mills was better as compared to previous year. By introduction of the newly developed hybrid seeds in the market in the coming season the Company expects the excellent growth in the sales turnover of the seeds division. Barring unforeseen circumstances it is expected that the performance of the Company will be Robust as compared to previous year. The more demand for SSP fertilisers will result in increased output of pulses and oil seeds as sulphur is very essential for their growth and only SSP fertiliser can provide sulphur to the crops. The Company has during the year expanded the seeds business to Uttar Pradesh and Bihar as well.

The distribution and movement of these fertilizers would continue to be monitored through fertiliser monitoring system (FMS) like at present 20% of these fertilizers produced would be under movement control under essential commodities Act 1955. The import of these fertilizers is placed under OGL and subsidy would be admissible on all products. NBS implies that subsidy amount payable to the company will be fixed annually for each nutrient of the product sold based on the nutrient contents. The nutrient based subsidy so decided would be converted into subsidy per tonne for each subsidized fertilizers. By such decontrol of fertilizers the industry can plan the production activities considering the prevailing prices of raw material and also can negotiate for better prices and enter into long term contracts for procurement of raw material well in advance. NBS will encourage the industry to increase the production of fertilizers thereby utilizing optimum capacity of the plant and avail the advantages of economies of scale.

Strength : Your company's strength lies in the supply of the quality fertilizers at the reasonable prices and at appropriate time. Over the years the Company has built up its reputation in this regards and it has resulted into increasing its market share in the fertilizers industry. Agribusiness continued its focus on integrated nutrient management and providing crop specific, soil specific advisory services to the farmers, to build brand loyalty enhance produce quality and farm productivity. The preventive maintenance of all fertilizers plants and proper planning about the procurement of raw materials helped us in ensuring uninterrupted production of all fertilizers. The main focus of the management is on cost control as well as cost reduction. This is mainly achieved by procuring the required raw material during the slack period by availing the maximum discounts as well as longer credit periods. The Company remains focused on its key objectives of consistent, stable and sustainable growth, improving the operational efficiencies and striving to attend better profitability alongwith the highest standards of quality, safety and productivity.

Financial Highlights :

	(Rs in Crores)			
	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2006-07</u>
Turnover	130.74	128.52	109.37	92.41
PAT	5.46	5.38	4.97	3.56
EPS (Basic & Diluted)	0.65	0.64	0.62	0.62

(On Face Value of Rs 1/-)

Our high quality products and better product mix ensured a higher realization in our seeds business. In the very competitive seeds market we succeeded due to our main focus on cost and operational efficiency as well as extensive farmer education. Our R & D efforts are aimed at yield enhancement, abiotic as well as biotic stresses to make the breeding faster and efficient. We continued our efforts on our seeds breeding research to develop new products that are best suited for Indian farmers considering the climatic and soil conditions of various regions. In line with our commitment to provide superior quality products that enhance yield as well as quality, we have developed germplasm bank that helps the breeder to select the most effective combination of genes.

In order to face the strong challenges like growing populations, climate change and poverty, advancement in agricultural productivity is inevitable. And the key factors that can deliver the enhanced agricultural productivity are improved agricultural inputs such as seeds and technology and agronomic knowledge improvement. We believe in strong and long term relationship with the farmers thereby assuring them higher yield, higher income and thus improve their lives. Our dedicated team interacts with farmers all year round and keep on implementing the education programs focusing on agronomic practices, product usage and support and increasing the awareness to adopt modern technologies in agriculture.

We undertake various field research trials and demonstrations in various parts of the state thereby providing effective solutions to the farmers of the regions including product use recommendations thereby assuring improved agronomy and new growth opportunities for the seeds division.

Even though Indian economy is mainly the agriculture based economy, the average productivity of Indian farmers is far lower as compared to the global averages. The maximum productivity growth can come from seeds which constitute a small part of the total farm input costs, yet contribute the maximum to increased farm productivity. The seeds replacement ratio in India is very low as compared to other Asian countries like China.

5. Opportunities and threats :

The Government of India (GOI) has recently announced major policy towards fertiliser by decontrolling of retail prices of non- urea fertilisers and a calibrated shift towards a nutrient-based subsidy (NBS) mechanism for non- urea fertilisers with effect from May 1, 2010. According to NBS, the subsidy will be fixed individually for each nutrient: Nitrogen (N), Phosphorus (P), Potash (K), and Sulphur(S). NBS will encourage balanced consumption of fertilisers by eliminating variances in the degree of subsidisation for a specific nutrient across different fertilisers. Further, the GOI has announced an additional subsidy for subsidised fertilisers containing other secondary nutrients and micro nutrients so as to encourage their consumption along with primary nutrients. This is expected to encourage customisation and development of new fertilizer products for different soil conditions, from hitherto commoditised product offerings by the incumbents and also expected to attract fresh investments in this sector. In the case of manufacturers of single super phosphate (SSP), NBS is expected to have a positive impact on them, given that the new policy seeks to make the subsidy on the P content of SSP comparable with that on the corresponding nutrient in DAP. As a result, consumption of SSP will get a fillip in the current year. The Company is contemplating its plans of acquisitions of the Sick fertilisers plants at strategic locations thereby proposing to increase its shares in fertiliser markets in near future. In the seeds division also the Company wants to increase its activities in Contract farming. The Company wants to have tie up with many multinational Companies under Contract farming agreements thereby adding the different varieties of seeds under its Brand. This will definitely be helpful to the Company in technological upgradation of its R & D program.

Though the economic growth of Indian economy was good, the Inflation on account of increase in the crude prices and rising food prices remains the major concern for the Industry. The erratic monsoon may create problem in some pockets for the growth of the fertilizer industry in general. The delay in release of the subsidy on fertilizers by the Central Government may create shortages of working capital. This has posed a challenge to the Company of managing the cost and company has structured the risk management program safeguarding the Company from various risks through adequate and timely actions.

6. Internal control system :

The Internal audit function is an independent function and is carried out by external auditors at various locations of the Company. The company has proper and adequate internal control system which covers all aspects of financial & operational controls to ensure proper recording of transactions and also compliances with applicable company policies and various statutes. The Company has an exhaustive budgetary control system and the management regularly reviews actual performance. The Audit Committee of the Company periodically reviews the audit plans, observations and recommendation of the internal and external auditors with reference to significant risk areas and adequacies of the internal control. With the advice & guidance of the experts, the business risks are mapped carefully & a risk management frame work is evolved considering seriousness of the risks.

7. Financial performance:

During the year under review the Company has undertaken the modernization and upgradation of the newly acquired SSP fertilizer plant at Neemuch (MP). The said upgradation was carried out by the Company was financed through internal accruals. The Company has got various growth plans including acquisition of the fertilizers plants at the strategic locations and also to diversify into cattle feed and solar power generation segment. During the year the working capital limit of the Company was enhanced by Rs 12 Crores by its Banker which enabled the Company to procure adequate raw materials for the monsoon season.

8. Cautionary statement :

The statement in the Management Discussion and Analysis describing the Companies objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could however differ materially from those expressed or implied may be due to economic conditions affecting demand and supply, monsoon condition, change in Government regulations more specifically towards subsidy and MRP of fertilisers and tax laws.

REPORT ON CORPORATE GOVERNANCE

Introduction

Your company's philosophy on Corporate Governance is aimed at efficient conduct of its operations and in meeting its obligations towards various stakeholders. Company continues to strive towards achieving good corporate governance and responsible management practices by promoting corporate fairness, transparency and accountability. This report sets out to define the governance practices followed by the Company in compliances with Clause 49 of the listing agreement.

1. Board of Directors

The Board has been constituted in a manner, which results in an appropriate combination of executive, non executive and independent directors to ensure proper governance and management and is in conformity with Clause 49 of the listing agreement. The Company's business has been conducted under the directions of Managing Directors and the overall supervision of the board. The details of the directors on the Board alongwith their attendance at the meetings are given here below:

Name	Category	Designation	Date of appointment	No. of outside directorships in public ltd cos	No of meetings attended	
					Board	AGM
Shri D. C. Bhartia	Executive Director	Managing Director	16.10.1990	Nil	10	1
Shri S. C. Bhartia	Executive Director	Chairman & Jt. Managing Director	16.10.1990	Nil	10	1
Shri S. W. Sawant	Independent Director	Director	20.09.1991	Nil	4	-
Dr. B. G. Bathkal	Independent Director	Director	27.11.1996	Nil	4	1
Dr. R. S. Tainwala	Independent Director	Director	22.12.2005	5	3	-
Shri R.S.Tayade	Independent Director	Director	29.06.2007	Nil	10	1
Shri A.N.Bhartia	Executive Director	Executive Director	28.01.2008	Nil	10	1

These are no pecuniary relationships or transactions of the Independent(non executive) directors vis-a-vis the company.

2. Audit Committee

A qualified and independent Audit Committee has been set up consisting of three independent Non-executive Directors as members in accordance with the requirement of Section 292A of the Companies Act, 1956 and Clause 49 of the listing agreement entered with the Stock Exchange. The representatives of Internal and statutory auditors are permanent invitees of the the Audit Committee. The Audit Committee provides assurance to the Board on the adequacy of the internal control system and financial disclosures. The term of reference of the Audit Committee include:

- (a) Review of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible .
- (b) Recommending the appointment and removal of external auditor, fixation of audit fee and approval for payment of any other services .
- (c) Reviewing with management the periodical and annual financial statements, before submission to the Board
- (d) Reviewing with the management, external auditors and internal auditors, the adequacy of internal audit control system.
- (e) Reviewing the adequacy of the internal audit functions.
- (f) Discussing with internal auditors any significant findings and follow up on such issues.
- (g) Reviewing the finding of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or failure of the internal control systems of a material nature and then reporting the matter to the Board.
- (h) Discussion with the statutory auditors before the audit commences about the nature and scope of audit as well as having post audit discussion to ascertain any area of concern.
- (i) Examining reasons for substantial default in payment to shareholders(in case non payment of declared dividend) and creditor, if any.
- (j) In addition to the above all items listed in Clause 49(II) (D) of the listing agreement.
- (k) Reviewing the Company's risk management policies and functioning of the Whistle Blower Mechanism.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process. The Audit Committee of the Board of Directors reviews, acts and reports to the Board of Directors with respect to various auditing and accounting matters, including the reports of the internal auditor. The Audit Committee also reviews internal control weaknesses reported by internal and statutory auditors. It also reviews the statement of the significant related party transactions.

Name of Directors	Number of meetings held during the year 2009-10	Number of meetings attended during the year 2009-10
Dr. B. G. Bathkal - Chairman	5	5
Shri S. W.Sawant - Member	5	5
Shri R. S. Tayade - Member	5	5

3. Shareholders' / Investors' Grievance committee

Shareholders' / Investors' Grievance committee reviews matters related to grievances of shareholders and investors like transfer of shares, non-receipt of dividends, non-receipt of annual report etc., and improve the efficiency in investors service. The Committee specifically looks into share transfer and related complaints received from shareholders. The Committee also evaluates performance and service standards of the registrar and share transfer agents of the Company and also provides continuous guidance to improve the service levels of the Investors. The Company secretary & compliance officer of the Company also attends the committee meeting.

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Name of Directors	Number of meetings held during the year 2009-10	Number of meetings attended during the year 2009-10
Shri R. S. Tayade - Chairman	4	4
Shri S.W.Sawant - Member	4	4
Dr.B.G.Bathkal - Member	4	4

During the year ended 31st March, 2010, only six investor's complaints were received & redressed and there were no complaints unreplied. The email exclusively for Investor's Grievances redressal is "basantagro_investorgrievance@hotmail.com"

4. Remuneration committee

The term of the reference of the Remuneration Committee consists of reviewing the overall remuneration policy, service contracts of Executive Directors of the Company. Its recommendations are then approved by the Board subject to approval of shareholders. It performs the functions as prescribed under Section 314(1B) of the Companies Act 1956 read with Directors' relatives (office or Place of Profit) Rules 2003.

Name of Directors	Number of meetings held during the year 2009-10	Number of meetings attended during the year 2009-10
Shri S.W.Sawant - Chairman	4	4
Dr.B.G.Bathkal - Member	4	4
Shri R.S. Tayade - Member	4	4

5. Remuneration of Directors:

Name of Directors	Salary (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Shri D. C. Bhartia	720000	—	720000
Shri S. C. Bhartia	720000	—	720000
Shri A. N. Bhartia	720000	—	720000
Shri S. W. Sawant	—	2000	2000
Dr. B. G. Bathkal	—	2000	2000
Dr. Ramesh Tainwala	—	1500	1500
Shri R. S. Tayade	—	4500	4500

The Remuneration paid to the Executive Directors is within the limits as per the Companies Act, 1956 and as per the resolution passed by the shareholders at the Annual General Meeting held on 13.09.2008. No director has been paid any commission and perquisites other than referred above.

6. Annual General Meetings:

The details of Annual General Meetings held in last 3 years and No. of Special Resolutions passed are as under :-

AGM	Date	Time	Venue	No. of Special Resolutions
19 th AGM	26.09.2009	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	Nil
18 th AGM	13.09.2008	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	4
17th AGM	25.08.2007	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	7

No resolutions were passed through postal ballots in last 3 years

7 Disclosures :

- There are no materially significant related party transactions i.e. transaction of the company of material nature with its promoters, directors or the management, their subsidiaries or relatives etc that would have potential conflict with the interests of the company at large. The details about related party transactions has been reported at the Schedule 19 of the annual report.
- No penalties or strictures have been imposed on the company by the stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the period under review.
- The Whistle Blower Policy (WBP) has been adopted by the company to report to management concerns about, unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. WBP also provides safeguards against victimization of the employees who avail of the mechanism and no personnel has been denied access to the Audit Committee. The company has complied with the mandatory requirement of this clause and has also adopted the Whistle Blower Policy.

8. Implementation of the code of conduct:

The Company had adopted the code of conduct for all board members and senior management of the company which serves as a guide to the employees of the company to make good decisions and act on them. The Jt. Managing Director have confirmed that all members of the Board and senior management personnel have affirmed compliance with the code for the year under review. The declaration of Jt. Managing Director is being given at end of this report.

9. CEO/CFO Certification:

The Jt. Managing Director of the Company and Mr Narendra Pathak CFO of the Company have certified to the Board that :

- i. They have reviewed financial statements and cash flow statements for the year ended 31st March,2010 and that to the best of their knowledge and belief :
 - a) these statements do not contain materially untrue statement or omit any fact or contain statements that might be misleading,
 - b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards,applicable laws and regulations.
- ii. There are to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the code of conduct.
- iii. They accept responsibility for establishing and maintaining internal controls for financial reporting and they have evaluated the effectiveness of the internal control system of the company, pertaining to financial reporting and they have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of the internal controls,if any,of which they are aware and the steps they have taken or proposed to take to rectify these deficiencies.
- iv. They have indicated to the Auditors and Audit committee,whether there are any significant changes in the internal control and/ or of accounting policies and instances of significant fraud of which they have become aware during the year.

10. Means of communication :

- (i) Three quarterly and one annual financial results of the company has been submitted during this financial year to the stock exchanges immediately after its approval at the Board Meeting and the same was published in Free Press Journal & Navshakti.
- (ii) As per the requirements of Clause 51 of the Listing Agreement , all the data relating to quarterly financial results , shareholding pattern etc are being electronically filed on the EDIFAR / Corpfilng within the time frame prescribed in this regard.
- (iii) The Management Discussion and Analysis Report is a part of the Annual Report.

11. General shareholder's information

The following information would be useful to our shareholders :

1. Annual General Meeting

- Date and Time : 28th August 2010, at 4:00 p.m.
- Venue : Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001.

2. Financial Calendar (Tentative Schedule)

Financial Reporting for :

- the quarter ended June 30, 2010 : Second Fortnight of July 2010
- the quarter ended September 30, 2010 : Second Fortnight of October 2010
- the quarter ended December 31, 2010 : Second Fortnight of January 2011
- the year ending March 31, 2011 : Second Fortnight of May 2011

Annual General Meeting for the year ending 31/03/2011:Second Fortnight of September 2011

- 3. Book Closure Date** : 25th August 2010 to 28th August 2010, (both days inclusive)
- 4. Dividend Payment Date** : Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be payable on or after 28/08/2010
- 5. Listing on Stock Exchange at** : The Bombay Stock Exchange Ltd
Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai - 400023.

Listing fees for the year 2010-2011 has been paid to The Bombay Stock Exchange Ltd.

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6. Stock Code : The Bombay stock exchange Ltd. : 524687

7. DEMAT : ISIN No. : INE 473 E 01021

8. STOCK EXCHANGE DATA

Month	Price at Bombay stock exchange Ltd	
	High (Rs.)	Low (Rs.)
April 09	28.50	17.35
May 09	40.40	20.80
June 09	41.70	27.40
July 09	34.75	26.60
August 09	49.00	29.60
September 09	52.70	39.10
October 09	48.00	37.00
November 09	44.75	35.25
December 09	52.90	35.75
January 10	55.70	43.70
February 10	61.30	5.00**
March 10	5.40	3.60

** Due to subdivision of face value of equity shares to Rs. 1/-.

9. Registrar & Share Sharex Dynamic India (Pvt.) Ltd,
Transfer agent 17/B, Dena Bank Building, 2nd floor, Horniman circle, Fort, Mumbai - 400 001. Tel. 22702485

10. Distribution of share holding as on 31st March, 2010

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1-500	766	18.70	2,04,591	0.24
501-1000	1545	37.74	15,19,565	1.82
1001-5000	1103	26.94	32,26,950	3.86
5001-10000	275	6.72	23,79,886	2.84
10001-100000	329	8.04	1,01,90,566	12.19
above 100000	76	1.86	6,61,05,942	79.05
Total	4094	100.00	8,36,27,500	100.00

11. Category of share holding as on 31st March, 2010

Category	No. of Shares held	Percentage
Promoters Holding		
Promoters		
- Directors	1,78,75,520	21.38
- Others	2,42,43,740	28.99
Non-Promoter Holdings		
- Institutional Investors	19,000	0.02
- Independent Director	30,000	0.04
- Bodies Corporate	49,34,204	5.90
- NRI	7,38,508	0.88
- Indian Public	3,57,86,528	42.79
Total	8,36,27,500	100.00

12. De- materialisation of shares

As on 31.03.2010 8,16,88,600 Equity shares (97.68% total equity) has been dematerialised.

13. Declaration by the CEO under Clause 49 of the listing agreement regarding adherence to the code of conduct.

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the stock Exchanges I hereby confirm that all the Directors and the senior management personnel of the company have affirmed compliance to their respective code of conduct, as applicable to them for the financial year ended March 31, 2010.

For Basant Agro Tech (I) Ltd

Shashikant Bhartia

Chairman & Jt. Managing Director

Place : Mumbai
Date : 29th July 2010

Auditors' Certificate on Corporate Governance

We have examined the compliance of conditions of Corporate Governance by M/s. Basant Agro Tech (I) Limited for the year ended on March 31, 2010, as stipulated in Clause 49 of Listing Agreement of the Company with the Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement. We have been explained that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

FOR P. C. BARADIYA & CO.

Chartered Accountants

K. C. Kankariya

Proprietor

M No 43951

Dated : 29th July 2010

Place : Mumbai

FOR P. C. BHANDARI & CO.

Chartered Accountants

P. C. Bhandari

Partner

M No 39710

AUDITORS' REPORT

Report of the Auditors to the Members of BASANT AGRO TECH (I) LIMITED on the financial statements for the year ended 31st March, 2010.

1. We have audited the attached Balance Sheet of BASANT AGRO TECH (INDIA) LIMITED as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit also includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956 (herein after referred to as the "Act"), we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order, to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Act;
 - e) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of Sub-Section (1) of Section 274 of the Act;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with Significant Accounting Policies and notes thereon, in Schedule 19 to the financial statement give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
 - ii. in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

FOR **P. C. BARADIYA & CO.**

Chartered Accountants

K. C. Kankariya

Proprietor

M. No. 43951

Place: Mumbai

FOR **P. C. BHANDARI & CO.**

Chartered Accountants

P. C. Bhandari

Partner

M. No. 39710

Dated: 28th May, 2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31ST MARCH, 2010 OF BASANT AGRO TECH (I) LTD.

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management in accordance with the phased program of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
 - c) No substantial part of the fixed assets has been disposed off during the year.
2. a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in-transit have been verified with reference to confirmations and subsequent receipt of the goods.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) The Company is maintaining proper records of inventory. The

discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.

3. a) The Company has not granted any loans, secured or unsecured, to firms, companies or other parties covered in the register maintained under Section 301 of the Act.
 - b) The Company has taken unsecured loans from 11 parties covered in register maintained under Section 301 of Act. The maximum amount involved during the year and the year-end balance of such loans aggregated to Rs. 1004.52 Lacs. There were no stipulation as to when the repayment has to be made or when the Interest was payable, wherever applicable. In our opinion, the rate of interest and other terms and conditions of such loans are prime facie not prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control system commensurate with size of the Company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system.
5. a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts and arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
 - b) In our opinion, having regard to our comments in para IV above and according to the information and explanations given to us, the transactions made in pursuance to contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to Rs. 5,00,000 or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits within the meaning of the Section 58A, 58AA or any other relevant provisions of the Act and rules framed thereunder.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. We have broadly reviewed the cost records of the Company in respect of products maintained pursuant to the Order of the Central Government under Section 209 (1) (d) of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We are, however, not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
9. a) The Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Custom Duty, Excise Duty, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed statutory dues outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - b) According to the records of the Company & information and explanations given to us by the management, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been deposited on account of any dispute.
10. The Company does not have accumulated losses as at 31st March, 2010 and has not incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
11. Company has not defaulted in repayment of dues to financial institutions or banks.
12. During the year, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. According to the information & explanation given to us, in our opinion, the term loans were applied for the purpose for which they were obtained.
14. According to the information & explanation given to us, the Company has not given any guarantee for the loan taken by others from Banks & financial institutions.
15. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
16. During the year, no fraud on or by the company has been noticed or reported during the course of our audit.

FOR **P. C. BARADIYA & CO.**

Chartered Accountants

K. C. Kankariya

Proprietor

M. No. 43951

Place: Mumbai

FOR **P. C. BHANDARI & CO.**

Chartered Accountants

P. C. Bhandari

Partner

M. No. 39710

Dated: 28th May, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

(Rs. in Thousands)

	SCHEDULE No.	AS AT 31.3.2010	AS AT 31.3.2009
SOURCES OF FUNDS			
1. Share Holder's Funds			
(a) Share Capital	1	83628	83628
(b) Reserves & Surplus	2	346844	298078
		430472	381706
2. Loan Funds			
(a) Secured Loans	3	320356	284570
(b) Unsecured Loans	4	100452	95497
		420808	380067
3. Deferred tax liability (Refer Note No 14 of Schedule 19)		26269	25068
Total		877549	786841
APPLICATION OF FUNDS			
1. Fixed Assets	5		
(a) Gross Block		508281	480185
(b) Less: Depreciation		153807	122112
(c) Net Block		354474	358073
(d) Capital Work-in-Progress		29783	6384
		384257	364457
2. Investments	6	384	384
3. Current assets, loans and advances			
(a) Inventories	7	402747	259953
(b) Sundry Debtors	8	254307	205365
(c) Cash & Bank Balances	9	25996	31712
(d) Other Current Assets	10	14668	14279
(e) Loans and Advances	11	74049	63116
		771767	574425
Less: Current liabilities and provisions			
(a) Current Liabilities	12	254503	129466
(b) Provisions	13	24356	22959
		278859	152425
Net Current Assets		492908	422000
Total		877549	786841
Significant accounting policies and notes to accounts	19		

Schedules referred to above form an integral part of the financial statements

For and on behalf of the Board

As per our attached report of even date

SHASHIKANT C. BHARTIA *Chairman &
Jt. Managing Director*

For **P. C. BARADIYA & CO.**
Chartered Accountants

For **P. C. BHANDARI & CO.**
Chartered Accountants

K. C. KANKARIYA
Proprietor

P. C. BHANDARI
Partner

DEEPAK C. BHARTIA *Managing Director*

*Place : Mumbai
Dated : 28th May, 2010*

UPENDRA SOMANI
Company Secretary

SHARAD W. SAWANT *Director*

BASANT AGRO TECH (INDIA) LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

(Rs. in Thousands)

	SCHEDULE No.	2009-10	2008-09
INCOME			
Sales	14	1307421	1285162
Other Income	15	2838	302
Variation in Stock	16	121495	8860
		1431754	1294324
EXPENDITURE			
Manufacturing & Other Expenses	17	983423	985585
Purchase of Trading Products		307170	190312
Depreciation		32275	24011
Interest and Finance Charges	18	43814	31383
		1366682	1231291
Profit before tax		65072	63033
Provision for taxes			
- Deferred tax		1201	2092
- Fringe benefit tax		-	675
- Current tax		8500	6000
Profit after tax		55371	54266
Provision for taxation of earlier years		(754)	(455)
Surplus brought forward from Previous Year		161512	119028
Profit available for appropriations		216129	172839
APPROPRIATIONS			
Proposed Dividend		5018	6690
Corporate Dividend Tax		833	1137
Transferred to General Reserve		3500	3500
Balance carried to Balance Sheet		206778	161512
		216129	172839
Basic & diluted Earnings per share (Rs.) (Face value Rs. 1/- per share)		0.65	0.64
Significant accounting policies and notes to accounts	19		

Schedules referred to above form an integral part of the financial statements

For and on behalf of the Board

As per our attached report of even date

SHASHIKANT C. BHARTIA *Chairman & Jt. Managing Director*For **P. C. BARADIYA & CO.**
*Chartered Accountants*For **P. C. BHANDARI & CO.**
*Chartered Accountants***K. C. KANKARIYA**
*Proprietor***P. C. BHANDARI**
*Partner***DEEPAK C. BHARTIA** *Managing Director**Place : Mumbai*
*Dated : 28th May, 2010***UPENDRA SOMANI**
*Company Secretary***SHARAD W. SAWANT** *Director*

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs. in Thousands)

	2009-10	2008-09
A) Cash Flow from Operating Activities :		
Net Profit before tax & extraordinary items	65072	63033
Adjustments for :		
Depreciation	32275	24011
Dividend income	(1)	(1)
(Profit) / Loss on sale of investments	-	-
(Profit) / Loss on sale of fixed assets	281	10
Interest paid (net)	43814	31383
Operating Profit before working capital changes	141441	118436
Adjustments for :		
(Increase) / Decrease in trade and other receivables	(48942)	(58775)
(Increase) / Decrease in inventories	(142794)	7861
(Increase) / Decrease in other current assets	11493	(31124)
Increase / (Decrease) in trade payables	125036	(7995)
Cash deployed into operations	(55207)	(90033)
Cash from operating activities	86234	28403
Less: Taxes paid	(6725)	(6668)
Net cash from operating activities	79509	21735
B) Cash Flow from Investing Activities :		
Purchase of fixed assets & other capital expenditure	(54535)	(118578)
Sale of fixed assets	331	448
Sale of investments	-	-
Dividend received	1	1
Net cash used in investing activities	(54203)	(118129)
C) Cash Flow from Financing Activities :		
Proceeds from issue of shares	-	-
Proceeds from long term and other borrowings	40741	105706
Dividend paid	(6690)	(5018)
Corporate Dividend Taxes Paid	(1137)	(853)
Interest Paid	(43814)	(31383)
Capital subsidy received	1848	-
Net cash generated from financing activities	(9052)	68452
Net change in cash and cash equivalents (A+B+C)	16254	(27942)
Cash & cash equivalents - Opening balance	9742	37684
Cash & cash equivalents - Closing balance	25996	9742

Notes :

- The above cash flow statement has been prepared by using the indirect method as per the Accounting standard 3-Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Cash and cash equivalents excludes Margin Money & pledged FDR with Banks aggregating to Nil (Previous year Rs 21970 Thousand)
- Previous year's figures have been regrouped/ rearranged wherever necessary to conform to the current year's presentation.

Schedules referred to above form an integral part of the financial statements

For and on behalf of the Board

As per our attached report of even date

SHASHIKANT C. BHARTIA *Chairman & Jt. Managing Director*

For **P. C. BARADIYA & CO.**
Chartered Accountants

For **P. C. BHANDARI & CO.**
Chartered Accountants

K. C. KANKARIYA
Proprietor

P. C. BHANDARI
Partner

DEEPAK C. BHARTIA *Managing Director*

Place : Mumbai
Dated : 28th May, 2010

UPENDRA SOMANI
Company Secretary

SHARAD W. SAWANT *Director*

SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2010

(Rs. in Thousands)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE 1 : SHARE CAPITAL		
Authorised Share Capital		
25,00,00,000 Equity shares of Rs. 1/- each (Previous year 2,50,00,000 Equity shares of Rs 10/- each)	250000	250000
Issued, Subscribed and Paid up Share Capital		
8,36,27,500 Equity shares of Rs. 1/- each (Previous year 83,62,750 Equity Shares of Rs. 10/- each)	83628	83628
Notes: 1. Out of the above 16,50,000 (Previous year 16,50,000) Equity shares of Rs. 1/- each were issued as fully paid up Bonus Shares by capitalisation of general reserves		
2. Each and every Equity share of the Company of the nominal value of Rs.10/- each fully paid up has been subdivided into 10 equity shares of Rs. 1/- each fully paid up		
Total	83628	83628
SCHEDULE 2 : RESERVES AND SURPLUS		
Capital Reserve		
Balance as per last Balance Sheet	3254	3254
Securities Premium Account		
Balance as per last Balance Sheet	99037	99037
General Reserve		
Balance as per last Balance Sheet	34275	30775
Add: Transferred from the Profit & Loss Account	3500	3500
	37775	34275
Surplus as per Profit and Loss Account		
(as per annexed accounts)	206778	161512
Total	346844	298078
SCHEDULE 3: SECURED LOANS		
Cash Credit from bank	228305	182037
Over draft from bank	10647	3284
Vehicle loan	1686	1729
Term loan from bank	79718	97520
Total	320356	284570
Notes :-		
(i) Cash Credit from a bank is secured against the hypothecation of stocks and books debts and fixed assets of the company. Out of which Rs 1299.68 lacs (previous year Rs. 1197.38 lacs) has been converted into FCNR(B) demand loan which is repayable in March 2011.		
(ii) Overdraft from banks are against the fixed deposit of Rs.131.98 lakhs pledged with them.		
(iii) Vehicle loans from finance companies are secured by hypothecation of respective vehicles purchased thereagainst.		
(iv) Term loan is secured against the fixed assets of wind mills.		
SCHEDULE 4 : UNSECURED LOAN		
From Directors and relatives	100452	35497
Intercorporate deposits	-	60000
Total	100452	95497

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SCHEDULE 5 : FIXED ASSETS

(Rs. in Thousands)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.4.2009	Addition	Deductions	As on 31.03.2010	Upto 31.03.2009	For the year	Recouped	Upto 31.03.2010	As on 31.03.2010	As on 31.03.2009
Freehold Land	24353	11861	—	36214	—	—	—	—	36214	24353
Leasehold Land	3400	—	—	3400	—	—	—	—	3400	3400
Buildings	169434	6196	1719	173911	45105	8461	—	53566	120345	124329
Plant & Machinery	256877	11842	880	267839	66410	21218	433	87195	180644	190467
Furniture & Fixtures	4955	44	—	4999	3282	315	—	3597	1402	1673
Vehicles	18762	1193	441	19514	5391	1801	147	7045	12469	13371
Licence Rights	2404	—	—	2404	1924	480	—	2404	—	480
Total	480185	31136	3040	508281	122112	32275	580	153807	354474	358073
Previous Year	366109	115771	1695	480185	99339	24011	1238	122112	358073	266770
Capital Work-in progress	6384	25678	2279	29783	—	—	—	—	29783	6384

Note: Lease hold land has been acquired from M/s Suzlon for the period of 30 years

SCHEDULE 6 : INVESTMENTS (At Cost)

Long -Term Investments	Face Value Rs.	Nos.	ASAT	Nos.	ASAT
			31.03.2010		31.03.2009
			Amount (Rs. in Thousands)		Amount (Rs. in Thousands)
Trade Investments :-					
(a) Quoted - Fully paid up-Equity					
Nagarjuna Fertilizers & Chemicals Ltd.	10	100	4	100	4
Rashtriya Chemical & Fertilizers Ltd.	10	100	4	100	4
Oswal Chemicals & Fertilizers Ltd.	10	50	1	50	1
Oswal Agro Mills Ltd.	10	2500	18	2500	18
M. P. Telelink Ltd.	10	2000	93	2000	93
Frontier Information Technologies Ltd.	10	300	77	300	77
Inhouse Production Ltd.	10	56	20	56	20
DSQ Software Ltd.	10	50	117	50	117
Rolta India Ltd.	10	2	1	2	1
Usha Martin Equity Ltd.	5	5	1	5	1
Usha Martin Info Ltd.	5	100	23	100	23
Zee Telefilm Ltd.	1	1	1	1	1
NIIT Technology Ltd.	5	1	1	1	1
Aptech Computer Ltd.	1	1	4	1	4
(b) Unquoted - Fully paid up-Preference					
Inhouse Production Ltd.	10	50	19	50	19
Total			384		384
Market Value of Quoted Investments			20		8

SCHEDULE 7 : INVENTORIES

Stock-in-Trade

(As taken, valued and certified by the Management)

Raw materials	136627	134130
Stock-in-Process	588	588
Finished Products	234109	115096
Trading Products	4444	805
Packing Material	20673	7659
Other Consumables	6306	1675
Total	402747	259953

SCHEDULE 8 : SUNDRY DEBTORS

(Unsecured and considered good)

Outstanding over six months	2168	2451
Others	252139	202914
Total	254307	205365

BASANT AGRO TECH (INDIA) LIMITED

SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2010 (Contd...)

(Rs. in Thousands)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE 9 : CASH & BANK BALANCES		
Cash in hand	1019	749
Bank balances with scheduled banks :		
i) In Current accounts	7814	1102
ii) In Fixed deposits	16944	7503
iii) In Margin money accounts	—	21970
iv) In unclaimed dividend account	219	388
Total	25996	31712
SCHEDULE 10 : OTHER CURRENT ASSETS		
VAT Receivable	5180	4596
Other current assets	9488	9683
Total	14668	14279
SCHEDULE 11 : LOANS & ADVANCES (Unsecured and considered good)		
Loans to staff	859	546
Advance recoverable in cash or in kind or for value to be received	51532	41735
Sundry Deposits	6115	6137
Advance tax and tax deducted at source	15543	14698
Total	74049	63116
SCHEDULE 12 : CURRENT LIABILITIES		
Sundry creditors (*)	154277	56815
Other liabilities	92645	66243
Deposits from dealers / customers	7362	6020
Unclaimed Dividend	219	388
(There is no amount due to an outstanding to be credited to investors' education and protection fund)		
(* Refer note no. 3 in Schedule 19)		
Total	254503	129466
SCHEDULE 13 : PROVISIONS		
Proposed dividend	5018	6690
Provision for corporate dividend tax	833	1137
Provision for taxation	18505	13243
Provision for FBT	—	1889
Total	24356	22959
	For the year ended 31.03.2010	For the year ended 31.03.2009
SCHEDULE 14 : SALES		
Manufactured goods :		
- NPK fertilizers	480381	388665
- SSP fertilizers	425549	683463
- Specialised Fertilisers	6940	6681
Traded goods - Fertilisers	7553	20991
Seeds	400006	194400
Empty bags	1059	209
Electricity	13134	7827
	1334622	1302236
Less: Interdivisional sales	27201	17074
Total	1307421	1285162
SCHEDULE 15 : OTHER INCOME		
Dividend income	1	1
Miscellaneous income	2837	301
Total	2838	302

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SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH, 2010(Contd...)

(Rs. in Thousands)

	For the year ended 31.03.2010	For the year ended 31.03.2009
SCHEDULE 16 : VARIATION IN STOCK		
Closing stock		
Finished stock	234109	112614
Work in process	588	588
	<u>234697</u>	<u>113202</u>
Less : Opening stock		
Finished stock	112614	103782
Work in process	588	560
	<u>113202</u>	<u>104342</u>
Total	<u><u>121495</u></u>	<u><u>8860</u></u>
SCHEDULE 17 : MANUFACTURING & OTHER EXPENSES		
1. Materials consumed		
a) Raw materials	746233	759529
b) Stores & spares	12349	9918
c) Packing materials	30823	37249
	<u>789405</u>	<u>806696</u>
2. Utilities		
a) Power	13943	12055
b) Fuel	10509	8030
	<u>24452</u>	<u>20085</u>
3. Payment to and Provision for Employees		
a) Salaries, wages and bonus	18707	17727
b) Contribution to provident & other funds	967	904
c) Staff welfare	3384	1498
	<u>23058</u>	<u>20129</u>
4. Operating Expenses		
a) Labour charges	14639	11805
b) Repairs & maintenance-building	1184	1964
c) Repairs & maintenance-plant & machinery	5535	3954
d) Laboratory expenses	110	101
e) Insurance	2688	2453
f) Rent	356	979
g) Rates & taxes (Incl. sales tax)	544	512
h) Freight & forwarding charges	40794	45912
i) Seeds processing charges	4350	3871
j) Traveling	10154	10175
k) Sales promotion & advertisement	35490	30849
l) Donations	85	40
m) Miscellaneous expenses	21882	18799
n) Loss on sale of assets	281	118
o) Research & Development expenses	2999	2515
p) Auditors' remuneration	110	100
q) Agricultural expenses	3147	2428
r) Directors' remuneration	2160	2100
	<u>146508</u>	<u>138675</u>
Total	<u><u>983423</u></u>	<u><u>985585</u></u>
SCHEDULE 18: INTEREST & FINANCE CHARGES		
Interest on cash credit	15682	15136
Interest on term loan	19523	6632
Others	14141	13271
	<u>49346</u>	<u>35039</u>
Less: Interest earned	5532	3656
Tax deducted at sources Rs. 6.84 lacs (Previous year Rs.6.17 lacs)	<u><u>43814</u></u>	<u><u>31383</u></u>

**SCHEDULE - 19
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

1. Significant Accounting Policies

a. Basis of preparation of financial statements

- i) The financial statements have been prepared under the historical cost convention in accordance with the applicable accounting principles and provisions of Companies Act 1956, subject to what is stated herein below, as adopted consistently by Company.
- ii) Company generally follows Mercantile System of accounting and recognises significant items of Income & Expenditure on accrual basis.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c. Capital Incentives.

Capital Incentives received/receivable from Government towards fresh capital investment has been reduced from cost of acquisition of respective fixed Assets as per AS12. "Accounting of Government Grants."

d. Fixed assets

i) Fixed Assets are stated at cost of acquisition or construction less depreciation. In accordance with the provisions of AS-28, if the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The cost of fixed assets includes interest on borrowings attributable to the acquisition of the said fixed assets upto the date of commissioning of that assets.

ii) The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such asset is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exist, then such loss is reversed and the asset is restated to that effect.

e. Depreciation

Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Leasehold land has not been written off as lease agreement is yet to be executed.

f. Investments

Investments are classified into current Investments and long term Investments. Long term Investments are valued at cost or below cost whenever there is a diminution in the value thereof (scrip wise) of a permanent nature.

g. Inventories

- i. The stock of Finished Goods, Raw Materials, Stores & Spares, Packing Materials and other consumables are valued at cost or net realisable value whichever is lower. Cost is either average cost or specific identification as applicable.
- ii. Stock in process is valued at estimated cost.

h. Retirement benefits

- i. Provident Fund dues are accounted for on accrual basis.
- ii. In respect of Gratuity Liability, the company has taken a group policy, premium whereof is paid annually to Life Insurance Corporation of India based on their actuarial valuation.
- iii. In the absence of information in respect of Gratuity (defined benefit scheme) from the Actuary, disclosure as required under AS 15 (Revised) - "Employee Benefit" has not been given.

i. Revenue recognition

Sales:

- i) a) Sales are inclusive of freight & forwarding charges wherever recoverable from customers.
b) Subsidy on sale of Single Super Phosphate fertilizers credited to subsidy account under the group head sales in the Profit & Loss Account at the time of sale.
- ii) Revenue in respect of insurance/other claims, interest etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

j. Research & development expenditure

- i) Capital Expenditure in respect of Research & Development activity is amortised over the period of three years.
- ii) Revenue expenditure on Research and Development shown separately in Profit & Loss Account

k. Revenue and Expenses related to Agricultural activities has been clubbed with seeds Division.

l. Taxation

Provision for the current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying value at each balance sheet date. Tax credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JB of the Income tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each balance sheet date.

m. Provision for contingent liabilities and contingent assets

- i) Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be outflow of resources.
- ii) Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statement.

2. Contingent liabilities not provided for (Rs. in Thousands)

**2009-10
Nil**

**2008-09
Nil**

3. Estimated amount of Contracts remained to be executed on capital account - NIL

4. a) The information regarding small scale industrial undertakings has been determined to the extent that such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors

b) The company has not received any intimation from the supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures if any relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act have not been given.

5. In the opinion of management current assets, loans & advances have a value on realisation which is atleast equal to their value stated in Balance Sheet. Provision for depreciation & all known liabilities is adequate and not in excess of the amount reasonably necessary.

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6. The accounts of certain Sundry Debtors, Sundry Creditors, Advances and Lenders are subject to confirmation/ reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

7. Loans and advances in the nature of loans where there is no repayment schedule / no interest or at an interest rate below what is specified in Section 372 A of the Companies Act, 1956 :

	As on 31.03.2010	Maximum during the year
i. Outstanding Loans to employees (Rs. in Thousands)	859	862
ii. No. of Equity Shares held in the Company	NIL	NIL

In respect of the above parties, rate of Interest is Nil.

8. Managerial Remuneration under Section 198 of the Companies Act, 1956 :

- Salaries

	2009-10	2008-09
	2160	2100

9. Audit fees
Tax audit fees
Other matters

	2009-10	2008-09
Audit fees	85	75
Tax audit fees	15	15
Other matters	10	10
	110	100

10. Earnings per share : (EPS)

	2009-10	2008-09
i. Profit after tax (in thousands)	54617	53811
ii. Number of equity Shares	83627500	83627500
iii. Nominal value of equity Shares (Rs.)	1	10
iv. Basic & diluted Earnings per share (Rs.)	0.65	0.65

11. Accounting Standard 17 : Segment Reporting (Rs in Thousands)

Particulars	Fertilisers		Seeds		Windmill		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Segment Revenue								
Gross Sales	921482	1100009	400006	194400	13134	7827	1334622	1302236
Less: Interdivisional sales	27201	17074	—	—	—	—	27201	17074
Net sales	894281	1082935	400006	194400	13134	7827	1307421	1285162
Other income	2259	302	579	—	—	—	2838	302
Segment results								
Profit before Interest & Depreciation	97783	90703	31931	21931	11447	5793	141161	118427
Less: Interest	32390	24063	1216	722	10208	6598	43814	31383
Less: Depreciation	16464	12563	351	239	15460	11209	32275	24011
Profit before Tax	48929	54077	30364	20970	(14221)	(12014)	65072	63033
Segment assets	804409	649912	199953	118290	125664	138968	1130026	907170
Unallocable assets							26382	32096
Total assets							1156408	939266
Segment liabilities	199606	312233	125865	121860	81647	98399	407118	532492
Unallocable liabilities							749290	406774
Total liabilities							1156408	939266

12. Accounting Standard 18 : Related party disclosure

List of related parties with whom transactions have taken place during the year :

- Associate : Basant Seeds, Ashwin & Co.
- Key Managerial Personnel : Deepak C. Bhartia - Managing Director
Shashikant C. Bhartia - Jt. Managing Director
Ashwin Bhartia - Executive Director
- Relatives of key managerial Personnel : Shri N. C. Bhartia, Smt. S. S. Bhartia, Shri A.D. Bhartia, Shri A.N. Bhartia, Smt. T. C. Bhartia, Smt. V. N. Bhartia, Smt. N. D. Bhartia,

4. Nature of transaction (Rs. in Thousands)

Transaction	Associates		Key managerial personnel		Relative of key managerial personnel	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Loan taken	—	—	138528	69107	1000	22637
Loan repaid	—	—	69595	97921	11445	15298
Interest paid	—	—	2901	2674	3565	4043
Rent paid	—	—	—	—	—	270
Managerial remuneration	—	—	2160	2100	300	300
Processing charges paid	2248	1696	—	—	—	—
Trade (payable)/receivable	81645	49618	—	—	—	—
Sales	223993	67376	—	—	—	—
Purchase	154811	64111	—	—	—	—
Outstanding loan to company	—	—	74643	2808	25809	32689

Notes:

(i) No amounts in respect of related parties have been written off / written back or provided for during the year.

(ii) Related party relationship have been identified by the management and relied upon by the auditors.

13. Foreign Currency Exposure only relates to FCNRR borrowing as on 31st March, 2010.

Particulars	2009-10		2008-09	
	USD	Rs. in Thousands	USD	Rs. in Thousands
Hedged	2915000	129968	2140000	91656
Unhedged	—	—	—	—

14. Accounting standard 22 : Deferred Tax liability

In compliance with Accounting standard relating to 'Accounting for Taxes on Income' (AS22) the company has recognised said deferred tax liability (net) of Rs.12.01 lacs in the Profit & Loss accounts for the year ended 31/3/2010

	2009-10	2008-09
Deferred tax liability comprises timing differences on account of Depreciation (Rs in Thousand)	Rs 26269	Rs 25068

BASANT AGRO TECH (INDIA) LIMITED

15. Additional Information pursuant to the provision of paragraphs 3, 4C & 4D of part II of Schedule VI to the Companies Act, 1956 :

		(Rs.in Thousands)			
		2009-10		2008-09	
	Unit.	Qty.	Value	Qty.	Value
a. Turnover :					
Manufactured Products					
NPK Granulated Mixture Fertilizer	MT	64921.35	480381	52370.70	388665
SSP Fertilizer	MT	67355.25	425549	86963.35	683463
Specialised Fertilisers	MT	1299.50	6940	1380.27	6681
Seeds		—	400006	—	194400
Trading Products -Fertilizers	MT	17015.13	7553	8378.00	20991
Empty Bags		—	1059	—	209
Less Inter Divisional Sales	MT	6824.00	(27201)	4761.60	(17074)
Electricity	KWH	3745840	13134	2170602	7827
Note:No quantity has been given for demonstration (Previous Year Nil)					
			<u>1307421</u>		<u>1285162</u>
b. Raw material consumed:					
Use of straight fertilizer	MT	65891.83	371775	45301.90	269647
Rock phosphate	MT	44023.26	322646	48804.38	317724
Spent sulphuric acid	MT	32297.83	44613	38501.04	160684
98% Sulphuric acid	MT	4374.90	6883	2998.89	8061
Dolomite	MT	237.00	316	490.66	401
Gypsum and MgO		—	—	1928.31	3011
Note: Cost of Raw Material Consumed includes normal shortages.					
			<u>746233</u>		<u>759528</u>
c. Stock :					
Opening Stock					
Finished Products					
NPK Granulated Mixture Fertilizer	MT	4260.65	26858	7465.50	52230
SSP Fertilizers	MT	6165.90	24605	3905.24	15529
Specialised Fertilisers	MT	1393.00	3413	—	—
Work in Process			588		560
Seeds			57738		36023
			<u>113202</u>		<u>104342</u>
Closing Stock					
Finished Products					
NPK Granulated Mixture Fertilizer	MT	11243.30	74897	4260.65	26858
SSP Fertilizers	MT	19089.00	105321	6165.90	24605
Specialised Fertilisers	MT	93.50	444	1393.00	3413
Work in Process			588		588
Seeds			53447		57738
Note: Seeds include different grades of various types of seeds hence the quantities are not mentioned					
			<u>234697</u>		<u>113202</u>
d. Purchases :					
Fertilizers	MT	10613.40	9489	8350.88	19416
Seeds (under Contract farming arrangement)			297681		170896
			<u>307170</u>		<u>190312</u>
e. Capacity & Production					
a) Licensed Capacity			Delicensed		Delicensed
b) Installed Capacity					
NPK granulated mixture fertilizer	MT		150000		150000
SSP fertilizer	MT		195000		195000
Electricity	KW		3050		3050
c) Production					
NPK granulated mixture fertilizer	MT		71904.00		49165.85
SSP fertilizer	MT		80278.60		89224.01
Specialised fertilisers	MT		—		2773.25
Electricity	KWH		3745840		2170602
f. Value of imports calculated on CIF basis in respect of : (Rs. in Thousands)					
Raw materials:			102500		Nil
stores & spares & capital goods			Nil		Nil
g. Expenditure in foreign currency on account of : (Rs. in Thousands)					
Traveling expenses			43		61
h. Value of Raw materials,stores and spares etc consumed during the year :					
Imported(raw material & spares)		102500	(13.74%)		NIL
Indigenous raw material		643733	(86.26%)	759528	(100%)
Stores & spares		12349	(100%)	9918	(100%)
i. Amount remitted during the year in foreign currencies on account of dividend :					
i. No. of non-resident shareholders			35		38
ii. No.of shares held by them			778337		786861
iii. Year to which the dividend relates			2008-09		2007-08
iv. Amount remitted (net of tax) (Rs. in Thousands)			623		472
j. Earnings in Foreign Exchange :					
i. F.O.B value of goods exported			Nil		Nil
ii. Other Income (commission, research services etc.)			Nil		Nil

16. Previous year's figures / published financial results have been regrouped and rearranged wherever necessary.

10. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code
 Balance Sheet Date

II. Capital raised during the year (Amount in Rs. Thousands)

Preferential Issue Bonus Issue

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities Total Assets

Sources of Funds

Paid up Capital Reserves & Surplus
 Secured Loans Unsecured Loans

Application of Funds

Net Fixed Assets Investments
 Net Current Assets

IV. Performance of company (Amount in Rs. Thousands)

Turnover Total Expenditure
 Profit before Tax Profit after Tax
 Earnings per Share in Rs. Dividend rate %

V. Generic Names of Three Principal Products/Services of the Company (as per monetary terms)

Item Code No.

(ITC Code)

Production Description : NPK Granulated Mixture Fertilizers

Item Code No.

Production Description: SSP Fertilizers

Schedules referred to above form an integral part of the financial statements

For and on behalf of the Board

SHASHIKANT C. BHARTIA
 Chairman & Jt. Managing Director

DEEPAK C. BHARTIA
 Managing Director

Place : Mumbai
 Dated : 28th May, 2010

UPENDRA SOMANI
 Company Secretary

SHARAD SAWANT
 Director

BASANT AGRO TECH (INDIA) LIMITED

Regd. Office : Plot No.13/2, Kaulkhed, Near S. T. Workshop, Akola - 444 001, Maharashtra.

PROXY FORM

Regd.Folio No. _____ No. of Shares held _____

I/We _____

of _____

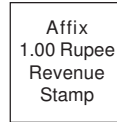
being Member/s of Basant Agro Tech (India) Ltd, Akola hereby appoint _____

of or failing him/her _____ of _____

as my/our proxy to attend and vote for me/us on my/our behalf at the 20th Annual General Meeting of the Company to be held on Saturday 28th August, 2010 at 4.00 p.m. at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001, Maharashtra and at any adjournment thereof.

Date

Signed this



Note : The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

TEAR HERE

BASANT AGRO TECH (INDIA) LIMITED

Regd. Office : Plot No.13/2, Kaulkhed, Near S.T.Workshop, Akola - 444 001, Maharashtra.

ATTENDANCE SLIP

(PLEASE PRESENT THIS SLIP AT ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the 20th Annual General Meeting to be held at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001, Maharashtra on Saturday, the 28th August, 2010 at 4:00 p.m.

Ledger Folio No. _____

No. of Shares _____

Name of Shareholder

(Signature of Member/Proxy)
(To be signed at the time of handling over the slip at the Meeting Hall)

TEAR HERE

